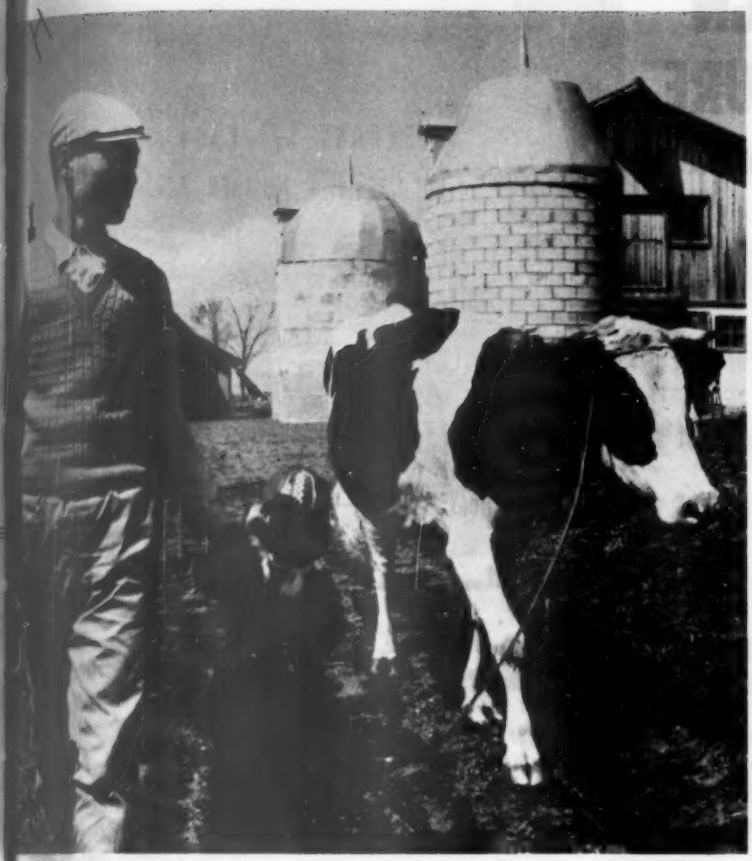

FEBRUARY 17, 1964

THE UNIVERSITY OF MICHIGAN
MAR
PHYSICAL
READING

FAR EAST AS A MARKET FOR U.S. FARM PRODUCTS

WHAT THE U.S. IS DOING ABOUT BEEF IMPORTS

SPAIN'S FEED GRAIN OUTPUT

# FOREIGN AGRICULTURE

## Including FOREIGN CROPS AND MARKETS

A WEEKLY MAGAZINE OF THE UNITED STATES DEPARTMENT OF AGRICULTURE
FOREIGN AGRICULTURAL SERVICE

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Including FOREIGN CROPS AND MARKETS

FEBRUARY 17, 1964

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Japanese youngster helps his father lead the cow out to pasture. This is a new farm on reclaimed land in Hokkaido where by the end of 1963 some 800 families had been settled. (Photo courtesy of World Bank.)

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Harvesting rice, Thailand

DEPOSITED BY THE
UNITED STATES OF AMERICA

# THE FAR EAST as a market for U.S. FARM PRODUCTS

Last month U.S. agricultural attachés from the Far Eastern countries plus those from India and Pakistan met in Tokyo to report on the agricultural situation of the area and to discuss its trade potential for U.S. agriculture during 1964. Their task was a formidable one. The Far East covers a huge share of the globe. Its enormous population is increasing at an appalling rate, and in parts of the Indonesian archipelago the density of persons per square mile is the greatest on earth. Furthermore, while agriculture supplies a living for the largest part of the people, within the area is the world's biggest city—Tokyo, with over 10 million people—and 2 others that rank among the first 10.

Assessment is difficult too because of Mainland China, which is one-third larger than the United States and includes within its borders one-fourth of the world's population. Lack of information about this country's production and food needs poses an unknown for speculations about Far Eastern trade. Also, much of the political unrest that periodically disturbs the area and upsets its normal trade patterns stems from proximity to this Communist country.

Despite these complications, the attachés' conference in Tokyo formulated a clear, if somewhat general, picture of what may be expected of the Far East's agricultural output and trade during this year. Each attaché reported on the country in which he is stationed, and from these reports the following highlights were drawn.

## JAPAN

Japan's economy continues to expand at a rapid rate. The GNP increased in 1963 by an estimated 8 percent, somewhat higher than the 5.1 percent increase achieved in 1962; and most authorities see no signs of any serious dropping-off in the growth rate. Also, Japan ended 1963 with its foreign currency reserves at a satisfactory $1.9 billion.

Total agricultural production also shows continued growth. Commodity trends are significant. Cereals, other than rice and soybeans, are barely holding their own, or are going down, while output of milk and eggs is way up. From the standpoint of U.S. farm exports, these shifts are favorable. Wheat and soybean import requirements will increase, and the government's strong policy of promoting livestock production will result in heavier imports of corn, grain sorghum, and other feedstuffs.

There is a general upward trend in Japan's imports of agricultural commodities from the United States. The total for 1963 has not been reported as yet, but it will be considerably higher than the 1962 level. Most of the major commodities which the United States supplies have been liberalized, and these will show increases in 1963, some of them substantial.

As for the immediate future, 1964 should be another good year for U.S. agricultural sales. If we can maintain good quality, adequate supplies, and competitive prices, our farm exports to Japan should reach $600 million either this year or next. The long-term outlook is also favorable. The economists are generally "bullish" about Japan's ability to continue its economic expansion, and if they are right, U.S. agriculture will almost certainly share in the benefits.

## AUSTRALIA

Australia enters 1964 in the most favorable political and economic position of recent years. The Liberal-Country Party Coalition Government was returned to office last November with a majority of 22 seats as compared to one previously. Foreign exchange reserves are at their highest point since the wool boom created by the Korean War. Employment levels, readily available credit, capital investment plans of private industry, and projected government expenditures all suggest further gains in the economy this year.

Production of wool, wheat, and meat during the current season have set new records, and gains in most other important commodities were significant too. Strong overseas demand is absorbing available supplies at prices favorable to producers, with the result that carryover stocks of all major commodities will be minimal. Although the current wheat marketing year is not yet 2 months old, the entire exportable surplus is already committed.

The future of meat exports is the main concern. Over

*Above, Indian housewives listen while demonstrators in a U.S.-sponsored nutrition program explain a new wheat dish. Left, the program is aimed at improving diets in villages like this.*

two-thirds of the market is now in the United States. Currently it is proposed that markets be diversified by means of subsidized shipments. The price differential between the United States and actual destination is to be paid exporters from a fund collected by a slaughter tax on all cattle and sheep.

The Australian market for U.S. tobacco, cotton, and soybean oil is not too promising. Australia's own cotton production is expanding rapidly and within the foreseeable future could meet the needs of domestic mills. Soybean oil imports are currently subject to an additional temporary sliding-scale duty determined by a minimum f.o.b price; and tobacco imports are limited by the regulation requiring manufacturers to use a prescribed percentage of Australian leaf in order to import at preferential tariffs.

## NEW ZEALAND

New Zealand is a large exporter of pastoral products—meat, wool, and dairy products—and only a small importer of other agricultural commodities. Since these products account for 93 percent of the country's exports, economic interests demand that their export grow at an annual rate of not less than 5 percent. New Zealand's farms have the physical capacity to do this.

The trade policies dictated by this situation are self-evident. New Zealand will struggle to the last to maintain its special position in the British market. At the same time, it will support the International Wool Secretariat's promotion of wool, and will try hard to expand outlets for its meat and dairy products and to open new ones—primarily in Japan and North America. The principal meaning of this for U.S. agriculture will be strong competition on the home market and continued competition abroad from New Zealand's low-priced meat and dairy products. Indirectly these products will compete with U.S. feed grains in third countries.

## HONG KONG

Hong Kong's meteoric economic growth of the past several years has made this Crown Colony one of the most notable postwar examples of what can be achieved under a free enterprise system, a balanced budget, and a sound monetary policy. With this growth it has become an important market for U.S. farm and industrial exports.

This past year, however, saw a decline in U.S. shipments. All U.S. exports dropped off in the first 9 months of 1963, agricultural products to $33.7 million from $39.3 million for the same 9-month period of 1962.

The biggest single decrease was in cotton, which slid from $11.2 million in 1962 to $7.4 million. This was almost entirely the result of U.S. cotton being higher priced than cotton from other suppliers; now, apparently, the new program making U.S. cotton more competitive has bettered the situation. Soybean oil fell off to $2 million, and oranges and tangerines $1.8 million. There were also other decreases.

On the brighter side last year were increases in U.S. sales of cigarettes (almost $1 million), ginseng, feeds, miscellaneous foods, tanned shoe leather, apples, grapes, and citrus.

Competition is strong in the Hong Kong market and any price or quality differential hurts our exports. Also, taking the market for granted only gives our competitors a chance to expand their sales; thus, if we expect to remain in the Hong Kong market, we must keep our products continuously before the consumer.

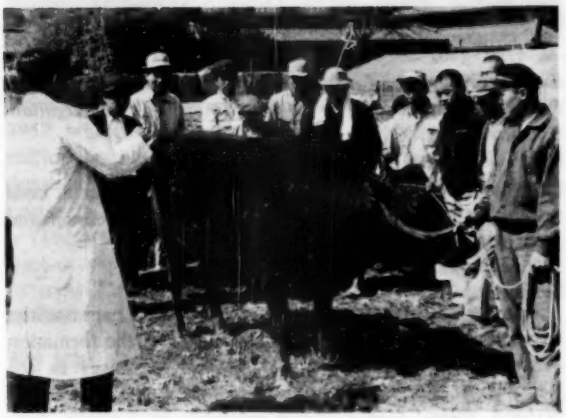
## THAILAND

Although largely self-sufficient and the major Asian food exporter, Thailand is a small but growing market for U.S. farm products. To maintain this position will depend on the set-down price of U.S. products compared to those of other suppliers and on keen marketing.

Cotton is an example. Normally about 80 percent of Thailand's cotton imports come from the United States, but in 1962-63 the figure dropped to about 50 percent because of price differential. Now, with U.S. cotton prices fully competitive, sales are increasing; also, mills normally prefer U.S. cotton.

Thailand used to buy large amounts of U.S. wheat flour. Lately this business has been almost entirely in Australian and Canadian hands. Here too there is a preference for the U.S. products, but price has always been important to the small Thai bakeries, especially when the difference was as much a dollar a bag in favor of non-U.S. flour. How-

*Right, Korean child carries in milk and bowls for her class. Milk in powdered form was donated by U.S. Far right, Burmese woman arranges produce on market day. Below right, at Japanese livestock center farmers get pointers on improving the native "wagyu" beef cattle.*



ever, since July 1963 U.S. flour has been competitively priced and is again moving in considerable volume. The total market is only 26,000 metric tons and will be less—around 13,000 tons—when a new flour mill begins production. A competitively priced U.S. product aggressively pushed could obtain at least 6,500 tons of this business.

The No. 3 Far Eastern market for U.S. leaf tobacco (mainly flue-cured), Thailand takes nearly 10 million pounds a year. Of equal importance is the fact that this is almost entirely an American leaf market, since tobacco of other origins comprises less than 1 percent of the country's imports.

If a real marketing effort were made Thailand could also become a market for such U.S. products as animal fats, and, to accommodate the tourist trade, frozen hotel-size turkeys and certain fresh fruits.

## INDONESIA

Indonesia is currently experiencing an inflation spiral, a shortage of foreign exchange, and a shortage of foodstuffs and raw materials, including imported cotton and tobacco. Although Indonesia exports valuable agricultural commodities as well as minerals and petroleum, its foreign exchange earnings are not sufficient to meet its needs and to service its heavy military commitments.

Temporarily the United States has discontinued its foreign aid, including Public Law 480 commodities, because of Indonesia's confrontment with Malaysia and the abandonment of its stabilization program. Should the Malaysian issue be settled and the stabilization program resumed, we would probably be willing to consider further commitments for Title I or Title IV commodities.

Indonesia would take all the rice that is available under Title I and might be willing to purchase rice under Title IV if it could not purchase from other global sources. It would like to buy wheat flour under Title I but has not met the usual marketing requirement. Other U.S. products that the country is interested in are cotton, tobacco, soybean oil, dairy products, and inedible tallow, but most of these would come under some U.S. Government program.

## MALAYSIA

Agriculture and forestry provide the livelihood for more than 60 percent of this new country's people; however, one crop—rubber—dominates the economy. Although competition between synthetic and natural rubber is causing the country to seek diversification of its crops, more important over the short run is the rubber replanting program, which encourages the replanting of estates and small holdings with high-yielding varieties. Between 1963 and 1970 Malaysia's rubber production is expected to increase approximately 45 percent.

Basically, Malaysia has only a small number of import barriers, though it does have the mechanism for providing protection to farmers—particularly pig and poultry farmers. Nevertheless, the country is a potential market for a number of U.S. agricultural products: tobacco, cigarettes, fruits, canned goods, and feed grains. Malaysia will also require increasing quantities of other products which we export, such as wheat, skimmed milk powder, and butter oil.

## BURMA

The political situation in Burma overshadows all economic activity. In agriculture the ultimate goal, as expressed by government leaders, is state ownership and control of all production and distribution, agrarian reform through land redistribution, "cooperative" farming, and establishment of state farms as a means of organizing the peasantry and promoting mechanization.

The government is now the sole purchaser and distributor of most food and agricultural products, government agencies having supplanted almost all middlemen. The result this year has been lower farm income, higher consumer prices, and disrupted marketing of farm products. As for trade, the government claims its policy is one of cooperation with any country on the basis of equality and mutual benefit. While prospects for U.S. agricultural

*Tantangara dam and reservoir—part of Australia's vast new Snowy Mountain Scheme to provide power and irrigation.*

*River traffic passes through navigation lock in Thailand's Chainat Barrage, which a World Bank loan helped to build.*

trade with Burma are bleak, recently there have been feelers for another Title I, P.L. 480 cotton agreement and a cash purchase of rice.

## KOREA

For the past 8 years American agricultural commodities have played an increasingly important role in the formation of capital and the alleviation of food shortages in the Republic of Korea. Since 1955, about $800 million worth of food, animal feed, and raw materials for industry have been imported under P.L. 480 agreements. Wheat purchases have led, followed by cotton and barley, and it is likely that the first two, wheat and cotton, will continue to enter Korea under P.L. 480, at least for the immediate future.

## THE PHILIPPINE REPUBLIC

The production of Philippine export crops has increased considerably in the last 2 years and is expected to gain further this year. This gives an outlook of substantially improved foreign exchange earning with which the country could import the products that it wants and clearly needs as a result of its basic food crops not keeping pace with its population increase. Thus, for U.S. agricultural exports to the Philippines the prospects are favorable. However, we face stiff competition from several countries, and this we can expect to see increase; we are also handicapped by an increasing number of import and exchange controls which must be broken down if U.S. farm products are to win a larger share of this market.

## INDIA

The agricultural situation in India has been characterized by virtual stagnation of agricultural growth for the past 2 years, and the outlook for the next few years seems to indicate that production will lag considerably behind the targets established by the Indian Government.

Because of India's very limited foreign exchange holdings, its trade policy is to minimize imports of consumer goods and to use its available foreign exchange to buy the raw materials and capital equipment necessary to carry out its long-range development plan. Thus, prospects for commercial sales of U.S. agricultural products to India are not encouraging. However, in recent years India has been the largest importer of U.S. agricultural commodities under P.L. 480, and the chances are that this level will be maintained, or even increased. India's population is growing at a rate of over 10 million a year, and it is believed that it will go to 600 million or so before the rate of increase can be slowed down considerably.

By far the largest part of the P.L. 480 shipments has been wheat, and this will undoubtedly continue to be the case. It is evident, though, that India now needs cotton and will need it for a long time to come. Over a half million bales were imported in the last two seasons from countries other than the United States, usually against payment in sterling. The remainder, totaling 298,000 bales in fiscal 1962 and 407,000 in fiscal 1963, was from the United States, mostly under Title I of P.L. 480. This year 200,000 bales are expected to come in under Title I and perhaps 150,000 under the new barter agreement.

## PAKISTAN

Pakistan is primarily dependent on agriculture. Its principal exports are jute, cotton, carpet wool, hides and skins, plus jute and cotton textiles. Its chief agricultural imports are wheat, vegetable oil, rice, sugar, tobacco, tallow, and limited amounts of extra-long staple cotton, fine wool, and dairy products. Most of these commodities, except rice, sugar, and fine wool, come from the United States under Title I, P.L. 480.

As for the future, the need for P.L. 480 shipments will continue for several years anyway, if the present volume of imports is to be maintained. The demand for wheat will undoubtedly expand. At the present level of food grain output and the present rate of increase, the annual food deficit, because of the country's high birth rate, will reach 4-5 million tons by 1970, even with no increase in the relatively low per capita consumption. Currently, Pakistan's food deficit is about 2 million tons.

In short, Pakistan offers little prospect of becoming an important dollar market for our farm products any time soon. On the other hand, its exports of agricultural products seem likely to decline, but its competitive position as a cotton textile producer will remain.

# What the U.S. Is Doing about Beef Imports—and Why

*This article summarizes a speech delivered by Roland B. Renne, Assistant Secretary of Agriculture for International Affairs, at the Sixty-Seventh Annual Convention of American National Cattlemen's Association, Memphis, Tennessee, January 28, 1964.*

Beef prices in the United States are currently being influenced by beef imports. The U.S. Department of Agriculture recognizes this situation and is moving to do something about it. The main approach has been our negotiation with the leading suppliers—Australia and New Zealand—to obtain voluntary agreement from them to limit their exports to the United States to the level of a recent period. Results to date, although short of reaching final agreement, are encouraging.

The basic principle of market-sharing is sound. Other nations that have had access to our markets under the General Agreement on Tariffs and Trade (GATT) have certain access rights just as we have such rights of access to other markets for the sale of our products. If agreement can be reached voluntarily concerning a given amount of access, then both importer and exporter have a firm basis on which to operate. The importer is protected against disastrous flooding of the market, and the exporter is assured of a market for a specified amount of his product.

### Agreeing on a basis

The main problem in negotiating market-sharing is agreement on how the share to be allotted is determined. In the case of beef imports, our largest supplier is Australia, and this country's exports have increased phenomenally—from less than 18 million pounds in 1958 to 517 million pounds in 1963. Obviously, Australians would like to have the most recent year or years used as a base for determining their share of our beef market. In addition, since the U.S. beef market is growing as a result of both an increase in our population and a rising per capita consumption of beef, Australia would like to share in this growth, and we agree that they should. We are insisting on this right for ourselves in dealing with nations to whom we export agricultural products.

The key question is how much should Australia or any other country share in the growth of our beef market? One suggestion is to renegotiate periodically on the basis of what is happening to our population numbers, income levels, and livestock prices.

A further factor which should be kept in mind in negotiating market shares is the quality of the product. In the case of beef, if a certain proportion of the imports were made up of primal cuts during the base period, then this should be considered in the share allotment for future years, or until the market share is renegotiated.

### U.S. taking larger share

The current beef import situation in the United States illustrates the modern complexities and interdependence of international trade relationships among major nations. The U.S. share of world beef imports increased from one-fourth (26 percent) in 1950 to over one-half (51 percent) in 1962. Still larger imports in 1963 raised the U.S. percentage of the total world import figure even higher.

This great rise in our beef imports has been encouraged by the increase in import restrictions in other major markets. Today the United States is the only major beef market without any quantitative restrictions and with a very nominal fixed import duty.

More than 1 billion pounds of beef and veal (product weight)—or the equivalent of 1.75 billion pounds (carcass weight)—were imported by the United States in 1963. This was an increase of 20 percent over 1962 and represented 11 percent of U.S. production in 1963—a sharp contrast to a few years earlier (1956) when imports were equal to only 1.6 percent of U.S. production.

Not only have beef imports increased at a faster rate than domestic production since 1956, but they have increased more in absolute terms. Imports in 1962 were more than 1 billion pounds over the amount imported in 1957, whereas domestic production in 1962 was only 583 million pounds higher than in 1957. However, in 1963 domestic production increased by about 1 billion pounds over 1962 while imports increased only 311 million.

(Imports of live animals—feeder cattle—in sharp contrast to imports of meat, were lower in 1963 than in 1962 by some 23 percent. Moreover, there has been no marked upward trend in imports of feeder cattle over the years.)

### Why prices are lower

Almost without exception an increase in the production of beef has meant a price-decline. On an average, a 10-percent change in the production of fed beef has been accompanied by a price change of 13 to 14 percent in the opposite direction. In other words, if production of fed beef increases 10 percent there will be an accompanying price decline of 13 to 14 percent.

Last year the production of fed beef in the United States increased by more than 11 percent over 1962. When to this heavy increase in domestic output is added the increase in imports (311 million lb.), it is clear why beef cattle prices were appreciably lower in 1963 than in 1962.

There is evidence that beef prices are turning upward from their recent lows. On January 27, prices of choice slaughter steers in Chicago ranged from $22.00 to $23.75 per cwt. and averaged $22.88. This is 59¢ above the average for December 1963. Utility cow prices ranged from $12.00 to $13.75 and averaged $12.88—17¢ above the December figure.

The meat-price situation is further complicated by the heavy U.S. supplies of meats other than beef. In 1963 U.S. beef and veal production reached an all-time high, pork production was larger than in any previous year since 1944, and broiler output was at a peak. As a result, total meat production reached a new record—37.7 billion pounds (carcass weight) compared with 36.1 billion in 1962. This is an increase of about 4½ percent.

For 1964 total meat production is estimated at 38.1 billion pounds, or a further increase of 1 percent over 1963 and about 5½ percent above 1962. Beef and veal production is the largest, with about 18 billion pounds. Pork is second, with some 12 billion pounds; poultry third, with about 7½ billion pounds; and lamb and mutton last, with 750 million pounds.

*Above, breeding plots of sorghum at the Corn Development Center. Right, plant breeders self corn. Much of Spain's corn is hybrid.*

# Spain Boosts Feed Grain Output

Spain, under its Four-Year Development Plan, 1964-67, aims to boost its output of livestock and livestock products. To help achieve this objective, the Plan calls for increased production of forage and pasture and a fourfold rise in feed grains.

This increase, however, is not expected to meet Spain's needs entirely. To quote the published Plan: "Research work conducted by the Plan Commission shows that in 1967 Spain will have a deficit in the supply of feed and forage needed to meet total demand for livestock products. In spite of the predictable increase in the supply of domestic feedstuffs, it is anticipated that Spain will need to import some 500,000 metric tons of feed grains and more than 300,000 tons of protein cakes and meals."

The higher level of feed grain output is to be accomplished through expanded acreage, wider use of fertilizer and insecticides, and improved cultural practices. Important too will be the use of hybrid seed corn and hybrid grain sorghums. Spain has an excellent base from which to work in promoting both these grains.

### Hybrid corn research

Hybrid varieties of corn were introduced into Spain in the 1930's, and today over 45 percent of the country's 1 million acres of corn is planted to hybrids. The national program for the improvement of corn is directed by the Corn Improvement Center *(Centro de Mejora del Maiz)* of the National Institute for Agronomic Research, the president of which is Miguel Echegaray, who for a number of years was Agricultural Attaché from Spain to the United States. Local research programs are carried out on a large scale at the Biologic Mission of Galicia (Pontevedra) and at the experiment station, Aula Dei (Zaragoza).

At the Corn Improvement Center many pure lines have been obtained from indigenous varieties as well as from European and American varieties. After 15 years of work the Center now has pure Spanish lines, a dozen of which are used in double hybrid corns commercialized in Spain. Also, a collection of 200 American lines is maintained, including varieties used in commercial formulas.

Spain's corn acreage has been increasing gradually since 1950. Acreage of corn on irrigated land has more than doubled, while nonirrigated corn has increased only 4.5 percent. Also, yields per acre for irrigated corn have increased more than 45 percent, whereas the yields from nonirrigated lands have shown no increase.

A considerable amount of the anticipated increase in corn production will come about through larger yields per acre. At the same time, competition from other crops will tend to restrict the expansion of corn acreage on irrigated land, especially if the price of corn to the Spanish farmer declines from the present support price of $1.84 per bushel to the world price of corn.

SPAIN'S CORN OUTPUT

| Year | Acreage | Year | Production |
|---|---|---|---|
| | *1,000 acres* | *Bushels per acre* | *Million bushels* |
| 1951 | 810 | 29.4 | 23.8 |
| 1952 | 839 | 30.3 | 25.4 |
| 1953 | 902 | 30.9 | 27.8 |
| 1954 | 912 | 32.4 | 29.5 |
| 1955 | 880 | 27.6 | 24.2 |
| 1956 | 910 | 3.08 | 28.0 |
| 1957 | 929 | 32.7 | 30.3 |
| 1958 | 961 | 37.5 | 36.0 |
| 1959 | 1,000 | 37.7 | 37.7 |
| 1960 | 1,056 | 37.7 | 39.8 |
| 1961 | 1,103 | 38.1 | 42.0 |
| 1962 | 1,062 | 34.1 | 36.2 |
| 1963 (est.) | 1,166 | 37.2 | 43.3 |

### Sorghum to be expanded

Imports of hybrid sorghum started in 1960, and the following year several Spanish firms distributed about 40,000 kilograms of these seeds. In 1962 more than 130,000 kilograms of seed were imported. Intensive research is being conducted in Spain with hybrid sorghum, and plans call for greatly expanded sorghum production in dry-farming areas.

IVY W. DUGGAN
*U.S. Agricultural Attaché, Spain*

# U.S. Feed Grain Symposium Held at London Trade Center in March

The U.S. feed grains industry will present the Third Annual Feed Grains Symposium at the London Trade Center, March 2-6, as part of a continuing program to encourage improved livestock feeding in the United Kingdom, top importer of U.S. feed grains. The program will later be presented in Belfast, Ireland, on March 9 and 10, and in Dublin on March 21.

As in the past, the Symposium will be staged by the U.S. Feed Grains Council, National Renderers Association, and the Soybean Council of America, in cooperation with FAS. Invited to attend will be British feed manufacturers, nutritionists, livestock producers, and government officials.

Keynoting the conference will be addresses on livestock feeding by six prominent U.S. nutritionists and feed technicians. Expected to draw wide response from participants is the session devoted to linear programming, or the use of electronic computers to determine economical feed formulas. Successfully used in the United States for about 8 years, linear programming is relatively new to the U.K. mixed feed industry.

Following the U.S. presentations, the British participants will discuss their research findings.

Speakers and their topics are:

Dr. Harold Ramsey, Associate Professor of Animal Husbandry, the University of North Carolina..."Latest in Milk Replacers and Calf Starters in the U.S.;" Dr. Richard C. Wahlstrom, Head of Animal Science, South Dakota University..."Place of Dried Green Crops in Animal Feeding;" Dr. Bartley Cardon, Early Fat Company ..."Fat in Feed;" Dr. Kenneth H. Maddy, Agricultural Division of Monsanto Chemical Company..."Linear Programming in Feed Formulation;" Robert Nesheim, Quaker Oats Company..."Interchangeability of Feeds;" and Dr. N. R. Ellis, USDA Agricultural Research Service..."New Trends in Swine Nutrition."

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Second Event at London Center

# Grocery Industry Shows New U.S. Foods in U.K.

A number of American food products new to the United Kingdom will star in a Spring Food Show to be presented at the London Trade Center from March 10 through 20 by the Grocery Manufacturers of America and FAS.

The Food Show will capitalize on the growing number of supermarkets and food outlets in Britain, which tend to offer more and more specialty foods to customers. As new products and brands become available, they especially enjoy a big demand.

To the Show will come selected U.K. importers, wholesalers, food brokers, food chain executives, institutional buyers, and grocers.

The products featured—both canned and processed items—will be displayed and demonstrated by the 18 U.S. food manufacturing firms participating. An executive of each will be on hand to take export orders or make arrangements for agency representation in the United Kingdom.

A widespread publicity campaign on the Food Show, currently under way in London, will be climaxed on March 10 with a reception for members of the British press and food magazine editors. In addition, special receptions for individual products on exhibit will be held throughout the Show.

The firms and products they will display are: John Wagner & Sons, Inc. (spices and teas); Bakers Biscuit Co. (cookies); Heidleberger Co. (canned nuts); Y & Y Supply Co. ("Corn Q's"); P. J. Ritter Co. (catsup, tomato juice, and relishes); Earl S. Bowers Co. (peanut and coconut cookies); United Biscuit Co. of America ("Keebler" crackers and cookies); and Filler International Products (snack products).

Others are: Crown Food Products, Inc. (preserves, peanut butter, and dressings); Braswell Food Co., Inc. (preserves and relishes); South Georgia Pecan Co. (shelled and unshelled pecans); Recipe Foods (mayonnaise and dressings); Bon Vivant Soups (specialty soups); Fred Fear & Co. (canned clams, extracts, and food coloring); Jahan Trading Co., Inc. (pecans, canned fruits and vegetables, and spices); and Cleveland Rettig Co. (fish and frozen onion rings).

## Japanese Press Briefed on U.S. Leather Show

*U.S. Agricultural Attaché Joe Dodson tells Japanese metropolitan and trade press about U.S. Leather Show at the Tokyo Trade Center, Feb. 26-Mar. 6.*

Egyptian children eating beladi bread

# U.S. Millers Project Upgrades Egyptian Diet

A program to enrich the protein content of beladi bread—the mainstay of Arab diets everywhere—is now underway in Egypt under the sponsorship of the Millers' National Federation and FAS, in cooperation with the Egyptian Government. Egypt is a big user of U.S. flour.

Last June, a U.S. baking technologist and a nutritionist were sent to Egypt to find ways to enrich the bread, as the most practical way of stepping up protein intake, particularly in the diets of preschool children and infants, an age group where the need is greatest. The enriched bread had to look, taste, and cost the same as the normal beladi bread.

After considerable research, the scientists came up with nine formulas. Most nearly meeting the criteria was one calling for the addition of chick peas and yeast, both products locally produced.

Taste-tested and accepted by children at the Shubramant Rural Health Center in Giza, the recipes have now been given to the Egyptian Bakeries' General Organization for use throughout the country.

Egypt last year took about 928,676 metric tons of U.S. flour, supplied to it largely under P.L. 480, Title I.

# Preparations Completed for UN World Trade Conference Next Month

The final step leading to the first United Nations Conference on Trade and Development in Geneva, March 23-June 15, has just been taken in New York City with the holding of the third and last meeting of the Preparatory Committee. Attended by committee members from 32 countries, the 5-man U.S. delegation was headed by G. Griffith Johnson, Assistant Secretary for Economic Affairs of the U.S. Department of State.

Out of the preparatory sessions have come the agenda, preliminary discussion, and the rules of procedure under which the Geneva Conference will examine ways in which international trade, including trade in agricultural products, can more effectively promote the growth of developing countries around the world.

The UN's Economic and Social Council (ECOSOC) agreed in 1962 to hold the world trade conference at the behest of less developed countries which wanted consideration of their particular problems in a global framework. They believed GATT, to which many countries do not belong—the Soviet Union, for example—to be primarily an instrument adapted to the trade needs and practices of the developed countries rather than to the problems of the developing countries, which are quite different.

The principal trade problem common to developing nations is their dependence in large part on exports of primary commodities, whose prices —with the exception of petroleum— are declining because of growing world production of such commodities and use of synthetics.

The less developed nations want to establish new trade policies. They want the principal trading countries to open their markets to the primary products and manufactures of the developing countries without reciprocal action—as well as preferential treatment. They seek to stabilize prices of primary commodities—preferably at a high level—through commodity agreements. Such policy changes, they claim, will enable them to expand their export earnings so they can pay for the manufactured goods they need rather than be dependent on loans and grants.

The agenda which goes before the Geneva Conference will also emphasize the developing nations' desire to step up exports to the Sino-Soviet bloc, and find a new trade mechanism such as a modification of GATT, or a possible UN body, to help resolve the trade difficulties confronting them.

## Japan Imports More U.S. Livestock Products

U.S. exports of cattle hides, tallow, lard, and hog grease to Japan continued to rise in 1963.

The Japanese demand for leather products again pushed imports of cattle hides and calf skins to a new high of 315 million pounds, 11 percent above a year earlier. Imports from the United States rose 13 percent to 228 million pounds, and accounted for 68 percent of total value—the same share as in 1962.

Japan's tallow imports from all countries in 1963 totaled 372 million pounds, 26 percent greater than those for a year earlier. Tallow consumption increased in both food and nonfood products. The value of imports from the United States in 1963 amounted to 78 percent of the total, compared with 81 percent in 1962.

Japan's imports of lard and hog grease rose 57 percent in 1963, reflecting their increased use in margarine and shortening. Imports from the United States rose from 31 million pounds to 60 million, and the U.S. share of the market, from 57 percent to 70 percent.

JAPAN: IMPORTS OF LIVESTOCK PRODUCTS, TOTAL AND FROM THE UNITED STATES, 1962 AND 1963

| Item and source | 1962 | | 1963 | |
|---|---|---|---|---|
| | Quantity | Value | Quantity | Value |
| Cattle hides and calf skins: | *Mil. lb.* | *Mil. dol.* | *Mil. lb.* | *Mil. dol.* |
| United States | 202 | 36 | 228 | 34 |
| All countries | 283 | 54 | 315 | 50 |
| Tallow: | | | | |
| United States | 237 | 17 | 286 | 21 |
| All countries | 296 | 20 | 372 | 27 |
| Lard and hog grease: | | | | |
| United States | 31 | 3 | 60 | 4 |
| All countries | 47 | 4 | 74 | 6 |

## Norway Imports More Pork

Because of pork shortages, Norwegian importers have bought 100 metric tons of pork from Sweden and 200 from Ireland. Imports from Denmark have not been permitted because of outbreaks of foot-and-mouth disease there.

The pork shortage, which has continued for more than a year, is expected to improve. Domestic production in the second and third quarters is expected to be 4 and 9 percent, respectively, above amounts produced in the same quarters of 1963. Pork consumption has increased about 3 percent in each of the past 2 years.

## New Zealand Meat Shipments to the U.S.

Six ships are scheduled to leave New Zealand during February with 18,256,000 pounds of meat for the United States—13,216,000 pounds for the East Coast and 5,040,000 for the West Coast.

| Ship | Sailing date | Destination | Quantity *1,000 lb.* |
|---|---|---|---|
| Crusader | Feb. 1 | West Coast | 1,568 |
| Monterey | 21 | ---do--- | 224 |
| Orcades | 22 | ---do--- | 112 |
| Saracen | 29 | ---do--- | 3,136 |
| City of Auckland | 15 | East Coast | 1,120 |
| New Zealand Star | 29 | ---do--- | 12,096 |

## U.K. Lard Imports Up During 1963

Imports of lard into the United Kingdom for the first 11 months of 1963 totaled 465 million pounds, up 12 percent from the previous year. In this same period, lard imports from the United States totaled 397 million pounds, 24 percent more than the previous year, and accounted for 85 percent of all lard imports. Nearly all other supplying countries sent less than in 1962. The most pronounced drops were in receipts from Poland and Belgium, off 80 percent and 55 percent, respectively.

For November, imports totaled 43 million pounds, of which 39 million was supplied by the United States.

LARD: U.K. IMPORTS BY COUNTRY OF ORIGIN, JANUARY-NOVEMBER 1962 AND 1963

| Country of Origin | Jan.-Nov. 1962 | | Jan.-Nov. 1963 | |
|---|---|---|---|---|
| | Quantity | Percent of total | Quantity | Percent of total |
| | *1,000 pounds* | *Percent* | *1,000 pounds* | *Percent* |
| United States | 320,387 | 77.2 | 396,895 | 85.4 |
| France | 21,814 | 5.3 | 21,153 | 4.6 |
| Denmark | 16,412 | 3.9 | 14,320 | 3.1 |
| Germany, West | 6,491 | 1.6 | 10,103 | 2.2 |
| Belgium | 21,718 | 5.2 | 9,849 | 2.1 |
| Netherlands | 6,790 | 1.6 | 4,150 | .9 |
| Sweden | 4,040 | 1.0 | 4,101 | .9 |
| Poland | 16,427 | 4.0 | 3,360 | .7 |
| Others | 924 | .2 | 727 | .1 |
| Total | 415,003 | 100.0 | 464,658 | 100.0 |

Henry A. Lane & Co., Ltd.

## Australian Meat Moves to the U.S.

Two ships left Australia in the first part of January with 2,533,440 pounds of beef, 58,240 pounds of lamb, and 515,200 pounds of mutton for the United States.

| Ship and sailing date | Destination [1] | Arrival date | Cargo | Quantity |
|---|---|---|---|---|
| | | | | *Pounds* |
| Goonawarra Jan. 7 | Los Angeles | Jan. 24 | Beef | 1,151,360 |
| | | | Mutton | 481,000 |
| | | | Lamb | 658,240 |
| | San Francisco | 31 | Beef | 324,800 |
| | | | Mutton | 33,600 |
| | Portland | Feb. 7 | Beef | 82,880 |
| | Seattle | 10 | Beef | 414,400 |
| Monterey Jan. 13 | San Francisco | Jan. 30 | Beef | 192,640 |
| | Los Angeles | Feb. 3 | Beef | 367,360 |

[1] Cities listed indicate location of purchaser and usually the port of arrival, but meat may be diverted to other areas for sale.

## Canada Exporting "No Sale" Tobacco

The Ontario Flue-Cured Tobacco Growers' Marketing Board purchased 30 million pounds of "no-sale" tobacco on a farm-sales-weight basis, or about 26 million on a redried basis, from the 1961 and 1962 crops of flue-cured.

Export sales of this tobacco now include shipments of 3.7 million pounds to Bulgaria, 100,000 to Israel, and 800,000 to Japan. (Latest reports indicate that most of the tobacco sold to Bulgaria actually moved to the Soviet Union and Czechoslovakia.) The sale to Japan—just recently concluded—was valued at Can$500,000. It involved 1,000 hogsheads of 1962-crop "no-sale" tobacco. The tobacco is being railed from Aylmer to St. John, New

Brunswick, and from this port, shipped to Japan. Also, unofficial reports indicate that Japan may buy an additional 800,000 pounds within the next few months from the 1963 crop.

A possible sale of 1 million pounds to Egypt is awaiting completion of negotiations. Current unofficial reports indicate that the Soviet Union is interested in importing additional Canadian tobacco.

## Hungarian Cigarette Output Continues Downward

Cigarette output in Hungary continued to decline through the first 7 months of 1963. Production amounted to 9.1 billion pieces, 7.4 percent below the January-July 1962 figure of 9.8 billion.

## Malaya's Leaf Tobacco Imports Up; Cigarettes Down

The Federation of Malaya's imports of unmanufactured tobacco during the first half of 1963 totaled 6.0 million pounds—up 10 percent from the 5.5 million imported during the same period in 1962.

Purchases from the United States were down to 2,170,000 pounds from 2,221,000 in January-June 1962. However, this slight decline was more than offset by larger imports from the Rhodesias-Nyasaland—2.3 million pounds compared with 2.1 million—and from India—1.4 million compared with 1.2 million.

The Federation of Malaya imported only 740,000 pounds of cigarettes, compared with 1.2 million in January-June 1962. Imports from the United Kingdom, formerly the major supplier, fell to 340,000 pounds, from 833,000, offsetting a rise in U.S. shipments—399,000 from 369,000. Imports from the United States accounted for 53.9 percent of total cigarette imports during the first half of 1963, compared with 30.6 percent during January-June 1962.

## Honduras Expects Larger 1964 Tobacco Harvest

The 1964 tobacco harvest in Honduras is forecast at 7.1 million pounds from 14,100 acres, compared with the 1963 harvest of 5.0 million pounds from 10,100 acres. Increases are expected in all kinds of tobacco except burley.

The 1964 harvest of flue-cured is estimated at 1.7 million pounds—up substantially from the small 1963 harvest of 1.1 million, but slightly under the 1962 harvest of 1.8 million. Planted acreage of flue-cured is placed at 1,450 acres, compared with 875 in 1963 and 1,650 in 1962. Burley production is forecast at 60,000 pounds, compared with 66,000 in 1963 and 95,000 in 1962. Production of Copan (native dark air-cured) is estimated at 4 million pounds, compared with 3 million last year. Production of cigar-type tobaccos, mainly wraper and filler, is forecast at 1.4 million pounds, from 1,297 acres; last season, it was 800,000 from 776 acres.

Grower prices for flue-cured tobacco range from the equivalent of 15 to 67.5 U.S. cents per pound. The average for the 1963 harvest was 39.5 cents per pound, but this season's average is expected to drop to about 38 cents—reflecting slightly lower quality. Burley prices range from 15 to 37.5 U.S. cents per pound and average about 27 cents. Grower prices for Copan range from 11 to 17.5 cents per pound, averaging about 15.5 cents. The price received for 1963-crop cigar wrapper ranged from US$3.00 to US$6.00 and averaged about US$4.50 per pound, c.i.f. Tampa. Prices for cigar filler ranged from US$1.70 to US$1.80 per pound.

## Poland Imported Less Tobacco in 1963

Poland's imports of unmanufactured tobacco during the first half of 1963 totaled 19.9 million pounds—down almost one-fourth from the January-June 1962 level of 26.1 million. Reduced imports from India and Yugoslavia more than offset stepped-up takings from Bulgaria.

Imports from Bulgaria rose to 7.4 million pounds from 4.1 million in January-June 1962. However, takings from India dropped to 2.6 million pounds from 9.4 million, and those from Yugoslavia fell about 11 percent to 3.5 million from 3.9 million

Cigarette output during the first 8 months of 1963 totaled 34.7 billion pieces—down 1.5 percent from the 35.2 billion produced in January-August 1962. Production for the entire calendar year 1963 probably approximated 52 billion pieces, compared with 52.7 billion in 1962.

## Congo's Exports of Palm Products Down in 1963

Exports of palm oil from the Republic of the Congo during 1963 totaled 152,687 short tons, 8 percent below the 165-323-ton volume exported in 1962. Total production, however, is believed to have been maintained at the 1962 level.

Exports of palm kernel oil during 1963 amounted to 34,725 tons compared with 45,547 in 1962; those of palm kernels totaled only 3,019 tons against 20,363. Combined exports of palm kernels and palm kernel oil, on an oil equivalent basis, were down over one-third from 54,914 tons to 36,114. This decline reflects a sharp reduction in the procurement of palm kernels from the African palmeries.

## Tunisia's Olive Oil Exports To Increase

Tunisia, with an outturn of edible olive oil in 1963-64 (an "on-year") unofficially forecast at 90,000 metric tons, is expected to export about 45,000 tons this season. This compares wih an "off-year" outturn in 1962-63 of only 45,000 tons and exports of 29,655.

Government regulations for the 1963-64 marketing season (under decree No. 63-322, Oct. 31, 1963) were published in the *Official Journal*, No. 52, on November 5, 1963. Exporters are now required to deposit a quantity of oil equal to 10 percent of their exports with the Office de l'Huile. To further build domestic stocks, producers are required to sell 10 percent of their production to the Office at specified prices.

All olive oil stocks must be declared, and circulation of oil will be under strict control. According to the Office de l'Huile, Tunisia's olive oil stocks on November 1, 1963, were 8,000 tons. Thus, with production forecast at 90,000 tons and domestic needs estimated at about 43,000, the exportable surplus including stocks would be 55,000. This excludes any quantities of olive foots oil which might be refined for edible purposes. Production of olive foots oil in 1963-64 is estimated at 12,000 tons, but exports of this oil are prohibited during the 1963-64 marketing year.

The exportable surplus also excludes any edible olive

oil that could be freed from export by imports of soybean oil for domestic consumption through use in blending. The Office de l'Huile is responsible for importing, blending, a[illegible] distributing wholesale both pure and blended oils for domestic consumption.

Retail prices of pure edible olive oil have been reduced from 400 to 300 millimes per liter (47.8 to 35.8 U.S. cents per lb.). Retail prices of blended oil (olive and soybean) have also been reduced, from 200 to 150 millimes (23.9 to 17.9 cents).

OLIVE OIL: TUNISIAN EXPORTS, 1958-62

| Country of destination | Year beginning November 1— 1958 | 1959 | 1960 | 1961 | 1962 |
|---|---|---|---|---|---|
| | *Metric tons* | *Metric tons* | *Metric tons* | *Metric tons* | *Metric tons* |
| United States | 4,895 | 32 | 977 | 3,550 | 455 |
| Cuba | ----- | ----- | ----- | 5,630 | ----- |
| France | 23,224 | 11,733 | 22,541 | 18,069 | 8,195 |
| Italy | 33,932 | 8,546 | 6,055 | 15,849 | 18,282 |
| Bulgaria | 119 | ----- | ----- | 1,376 | ----- |
| Czechoslovakia | ----- | ----- | 943 | 1,494 | 250 |
| Germany, East | ----- | ----- | 180 | ----- | ----- |
| Hungary | 121 | ----- | ----- | ----- | ----- |
| Poland | ----- | ----- | ----- | 1,037 | 743 |
| Yugoslavia | ----- | 675 | 2,923 | 1,658 | 300 |
| USSR | 1,500 | 1,500 | 2,980 | 3,282 | 1,154 |
| Mainland China | ----- | 400 | ----- | 400 | ----- |
| Others | 5,791 | 163 | [1]6,201 | 3,914 | 275 |
| Total | 69,582 | 23,049 | 42,800 | 56,259 | 29,654 |

[1] Includes 3,546 tons to Greece and 1,171 to Libya.
Compiled from official and other sources.

## Syria's Olive Oil Outturn Lower

According to trade estimates, Syrian production of edible olive oil in 1963-64 is forecast at 12,000 metric tons, down 30 percent from the 17,000 produced in 1962-63.

Domestic consumption of olive oil has been relatively stable at about 7,000 tons. Thus, variations in production are reflected mostly in exports, which in 1963-64 are not expected to exceed 6,000 tons compared with about 10,000 tons in 1962-63.

Syria is a traditional net exporter of fats and oils, nearly all of which is cottonseed and olive oil. However, before exporters are granted licenses, they must—according to government regulations—meet local demand for oilseeds, fats and oils, and oilseed cakes at a controlled price. This insures local supplies at moderate prices but has prevented Syrian producers and exporters from taking full advantage of high world prices early in the marketing season.

## Lebanon's Oilseed Production Up, Imports Down

Lebanese production of edible olive oil in 1963-64 is unofficially forecast at 10,000 metric tons, more than one-third above that of 1962-63 and also above the 1960-61 level. The expected rise reflects favorable weather and an "on-year" in the biennial production cycle.

Olive production constitutes virtually all of Lebanon's production of vegetable oil-bearing materials. The crop has in the past been subject to heavy damage from the olive fruit fly (*Dacus olea*). However, the Ministry of Agriculture has been attempting to eradicate the insect by making insecticides available to farmers.

Lebanon, a net importer of oilseeds, will reduce its cottonseed imports in 1963-64, partly as a result of the 15,000-ton quota imposed by Syria on its cottonseed exports there. Consequently, Lebanese production of cottonseed oil is forecast at only 2,000 tons and exports of oilcake are expected to decline. Trade sources believe that increased domestic production of olive oil will offset any shortage of cottonseed oil in domestic markets. A decline in copra imports is also reported, reflecting heavy competition from imports of refined animal fats.

In March and April of last year 1,900 tons of olive oil were released for export at the request of olive oil processors. This action was taken despite increased domestic prices of olive oil; consequently, consumption of cottonseed oil increased.

Wholesale prices for commercial-grade olive oil have dropped sharply since June 1963; however, exports are being prevented by the fact that current domestic prices reportedly remain about 10 percent above prevailing international prices for comparable-grade oil from other Mediterranean Basin countries.

OILSEEDS, VEGETABLE OILS, OILSEED CAKES: LEBANON PRODUCTION AND TRADE, 1961-63 [1]

| Commodity | Production 1961 | 1962 | 1963 | Imports 1961 | 1962 | 1963 |
|---|---|---|---|---|---|---|
| | *1,000 metric tons* | *1,000 metric tons* | *1,000 metric tons* | *1,000 metric tons* | *1,000 metric tons* | *1,000 metric tons* |
| Oilseeds: | | | | | | |
| Cottonseed | 0.5 | 0.5 | 0.4 | 40.0 | 70.0 | 15.0 |
| Copra | — | — | — | 3.0 | 2.5 | 2.5 |
| Peanuts | 1.3 | 1.4 | 1.6 | 0.4 | 0.5 | 0.3 |
| Olive | 43.0 | 31.0 | 50.0 | 2.7 | 6.0 | 1.0 |
| Sesame | 0.4 | 0.4 | 0.4 | 3.6 | 3.2 | 3.3 |
| Flaxseed | — | — | — | 1.8 | 2.6 | 1.8 |
| Vegetable oils: | | | | | | |
| Olive, edible | 9.5 | 7.4 | 10.0 | 0.3 | 0.2 | — |
| Cottonseed | 5.0 | 9.1 | 3.5 | 0.2 | 0.5 | 0.2 |
| Coconut | 1.6 | 1.4 | 1.4 | 0.4 | 0.5 | 0.5 |
| Peanut | 0.1 | 0.1 | 0.2 | — | — | — |
| Sesame | 3.0 | 2.7 | 2.8 | — | — | — |
| Linseed | 0.4 | 0.4 | 0.4 | 0.1 | 0.1 | 0.1 |
| Olive, sulfur | 1.0 | 0.8 | 0.9 | 0.4 | 0.5 | 1.0 |
| Oilseed cakes: | | | | | Exports | |
| Olive | 12.4 | 9.3 | 14.0 | — | — | — |
| Cottonseed | 30.0 | 52.2 | 20.6 | 11.5 | 29.2 | 4.0 |
| Coconut | 1.0 | 0.9 | 0.9 | 1.0 | 1.0 | 0.9 |
| Peanut | 0.2 | 0.3 | 0.4 | — | — | — |
| Linseed | 0.7 | 0.7 | 0.8 | 0.5 | 0.5 | 0.5 |

[1] Marketing year beginning October 1.
Compiled from official and other sources.

## Jordan's Olive Oil Production Increases

Jordan's production of olive oil in 1964, from 1963-crop olives, is unofficially forecast at nearly 7,200 short tons compared with 1,400 in 1963.

Until 1955, Jordan's olive oil production never exceeded 6,500 tons. Since then, the outturn has fluctuated widely, as indicated by the high outturn of 24,000 tons in 1962 and the low one of 1,400 in 1963. The wide variance is due largely to the existence of a sizable number of once non-bearing trees on the west bank of the Jordan River which have become fruitful and are now contributing to commercial production.

Current prospects indicate that Jordan's olive oil production will continue to rise. Government loans are being made available to farmers to further expand planting of olive trees.

Most of the domestic olive production is crushed for oil which is used for edible consumption. However, increased quantities are being used in the manufacture of soap, as the result of an attempt by producers to reduce oil acidity below 4 percent.

Domestic disappearance of olive oil is likely to decline by over 3,000 tons in 1964. However, imports of other oils, largely cottonseed oil, should make up the difference.

JORDAN: EDIBLE VEGETABLE OILS, ESTIMATED SUPPLY AND DISTRIBUTION, ANNUAL 1962-64

| Item | 1962 | 1963 [1] | 1964 [2] |
|---|---|---|---|
| SUPPLY | *Short tons* | *Short tons* | *Short tons* |
| Stocks, January 1 | —— | 12,498 | 3,792 |
| Production: | | | |
| Olive oil [3] | 24,015 | 1,433 | 7,165 |
| Vegetable ghee | 3,527 | 3,582 | 3,638 |
| Total | 27,542 | 5,015 | 10,803 |
| Imports: | | | |
| Other vegetable oils [4] | 5,842 | 8,818 | 5,512 |
| Vegetable ghee | 220 | 330 | 330 |
| Total | 6,062 | 9,148 | 5,842 |
| Total supply | 33,604 | 26,661 | 20,437 |
| DISTRIBUTION | | | |
| Exports: | | | |
| Olive oil | 474 | [5] 2,202 | —— |
| Other vegetable oils [4] | 550 | 220 | 440 |
| Vegetable ghee | —— | 5 | 11 |
| Total | 1,024 | 2,427 | 451 |
| Domestice disappearance: | | | |
| Olive oil | 11,043 | 11,023 | [6] 7,870 |
| Other vegetable oils [5] | 5,291 | 5,511 | 6,062 |
| Vegetable ghee | 3,748 | 3,908 | 3,954 |
| Total | 20,082 | 20,442 | 17,886 |
| Stocks, December 31 | 12,498 | 3,792 | 2,100 |
| Total distribution | 33,604 | 26,661 | 20,437 |

[1] Estimated. [2] Forecast. [3] Crushed from olives produced in the preceding calendar year. [4] Includes noncommercial exports of 880 tons. [5] Includes sesame, cottonseed, sunflower, coconut, palm, corn, and soybean oils. [6] Deficit (about 3,300 tons) will be covered by imports of other oils, mainly cottonseed oil.
Compiled from official and other sources.

## Bad Weather Reduces Brazil's Rice Crop

Brazil's 1963-64 rough rice crop is expected to be considerably less than the 1962-63 record of 5,980,000 metric tons. The main crop is usually harvested from March to June.

Owing to a prolonged drought in the important rice States of Goiás, Minas Gerais, and São Paulo, total production may be as much as 40 percent less than in 1962-63. In Rio Grande do Sul—the only State having a surplus for export—floods delayed planting. Although in mid-January much of the crop could still be sown, growers faced the possibility of damage by cold and rain before harvest.

Paraná, however, is expecting a good crop. It planted a large acreage and the condition of the crop is reported to be excellent.

In 1962-63, rough rice production of the main rice States was as follows: Rio Grande do Sul, 1,462,000 tons; Minas Gerais, 1,011,000; Goiás, 1,004,000; São Paulo, 783,000; and Paraná, 345,000.

## Netherland's Rice Imports Decline

The Netherlands rice imports during January-November 1963, at about 52,600 metric tons milled basis, were 17,800 below those in the same period a year ago. The principal decrease was in imports from Burma, Communist China, and Thailand.

The Netherlands received no rice from Burma in this period, compared with 8,556 tons in January-November 1963, and its combined imports from Communist China and Thailand were down by nearly 11,000 tons. It did, however, purchase much more rice from South Vietnam and Surinam and somewhat more from Pakistan and the United States.

Of total rice imports during January-November 1963, 72 percent was semimilled; 20 percent, milled broken; and 8 percent, milled whole.

Imports of *semimilled rice*—normally the principal type purchased were down 27 percent to 37,900 tons, largely because of the decrease in takings from Communist China and Burma. Imports from Pakistan and the Malagasy Republic were up to 2,032 and 1,212 tons, respectively.

Purchases of *milled broken rice* declined to 10,574 tons from 14,906. In the 1963 period, no broken rice came from Burma compared with 5,068 tons in the same months of 1962. Imports from Surinam, however, increased from 1,424 tons to 4,213.

*Milled whole rice* imports by the Netherlands were up slightly to 4,145 tons in January-November 1963. A larger amount from the United States—the main supplier—more than offset smaller shipments from Belgium-Luxembourg.

RICE: NETHERLANDS, IMPORTS BY ORIGIN, JANUARY-NOVEMBER 1963, WITH COMPARISONS

| Country of origin | Average 1956-60 | 1962 | January-November 1962 | January-November 1963 |
|---|---|---|---|---|
| | *Metric tons* | *Metric tons* | *Metric tons* | *Metric tons* |
| Argentina | 393 | 2,277 | 1,769 | 1,539 |
| Australia | 920 | 623 | 522 | 938 |
| Brazil | 1,000 | 2,349 | 2,349 | (1) |
| Burma | 7,791 | 8,556 | 8,556 | (1) |
| China, Communist | 8,340 | 7,084 | 7,084 | 1,117 |
| Egypt | 2,156 | (1) | (1) | 748 |
| Mexico | 5 | 3,962 | 3,962 | (1) |
| North Korea and North Vietnam | 2,321 | (1) | (1) | (1) |
| Pakistan | 82 | 1,524 | 1,524 | 2,032 |
| Surinam | 1,699 | 1,793 | 1,424 | 4,681 |
| Thailand | 27,814 | 21,882 | 21,879 | 16,908 |
| South Vietnam | 604 | (1) | (1) | 3,662 |
| United States | 7,622 | 12,922 | 12,685 | 13,912 |
| Other countries | 2,833 | 2,757 | 2,952 | 3,696 |
| Total | 63,580 | 65,729 | 64,706 | 49,233 |
| EEC countries: | | | | |
| Belgium-Lux. | 5,179 | 3,203 | 2,622 | 1,676 |
| France | 208 | ---- | ---- | ---- |
| Italy | 2,608 | 2,345 | 2,196 | 1,280 |
| Germany, West | 1,306 | 959 | 959 | 457 |
| Total | 9,301 | 6,507 | 5,777 | 3,412 |
| Total, all countries | 72,881 | 72,236 | 70,483 | 52,645 |

[1] If any, included in "other countries."
*Maandstatistiek van de in-, vit-en doorvoer per goederensoort*

## Mexico Transships Less Cotton

Transshipments of Mexican cotton through U.S. ports totaled 122,000 bales (of 500 lb. gross) during the first 3 months (August-October) of the 1963-64 season. This figure is one-half of the 244,000 bales shipped in the same period of 1962-63 and 46 percent of the 268,000-bale average for the previous 5 seasons.

Transshipments in Octobre were 36,000 bales, compared with 32,000 in the previous month and 53,000 in October 1962.

Quantities shipped to major destinations in August-October 1963, with comparable 1962 figures in parentheses, were: Italy 24,000 bales (35,000 bales); France 21,000 (62,000); West Germany 20,000 (34,000); Chile 10,000 (3,000); United Kingdom 9,000 (15,000); Czecho-

slovakia 6,000 (11,000); Australia 5,000 (10,000); and Switzerland 5,000 (31,000).

U.S. ports through which most Mexican transshipments moved during the period under review were Brownsville 115,000 bales; Houston 3,000; Corpus Christi 2,000; and Los Angeles 1,000.

## United Kingdom Ships More Canned Milk

In the first 11 months of 1963, the United Kingdom exported 49 million pounds of condensed milk, or 8 million more than in the comparable 1962 period. Malaya, again the most important market, took 54 percent of total shipments, but Burma bought 2,000 pounds compared with more than 3 million last year. A number of smaller but important outlets increased their purchases in this period; among them were British Borneo, the Rhodesian Federation, and Trinidad.

Exports of evaporated milk totaled 34 million pounds and went to more than 40 countries. In the same months of 1962, these countries took 31 million pounds. Most of th increase was in sales to Malaya, West Germany, and Malta. Other markets which upped their purchases included Trinidad, British Guiana, and Gibraltar. Sales to the Philippine Republic, at 7 million pounds, were considerably below the 1962 level.

## Heavy Rains Favor 1964 Brazil Nut Harvest

Indications are that Brazil's 1964 brazil nut harvest may be larger than the preliminary estimate of 38,000 short tons. Unusually heavy rainfall in the Amazon basin has caused high stream levels, which should enable nut gatherers to penetrate deeper into the jungle and cover a larger territory than usual.

Latest estimates set the 1963 harvest at about 33,000 tons. This is based on the fact that, by the end of September, exports amounted to 21,000 tons of inshell nuts and 4,000 tons of shelled nuts (11,000 tons inshell basis).

BRAZIL: BRAZIL NUT EXPORTS, SHELLED AND INSHELL, 1962 AND JAN.-SEPT. 1963

| Destination | Shelled | | Inshell | |
|---|---|---|---|---|
| | 1962 | 1963[1] | 1962 | 1963[1] |
| | *Short tons* | *Short tons* | *Short tons* | *Short tons* |
| Australia | 44 | 77 | ----- | ----- |
| Canada | 153 | 180 | 549 | 789 |
| West German | 56 | 131 | 4,283 | 4,548 |
| United Kingdom | 1,499 | 680 | 8,516 | 8,398 |
| United States | 3,009 | 2,876 | 7,194 | 6,987 |
| Others | 15 | 60 | 69 | 392 |
| Total | 4,776 | 4,004 | 20,611 | 21,114 |

[1] January-September.

## Small 1963 Greek Currant Pack Reported

The 1963 Greek currant pack is estimated at 85,000 short tons, a considerable reduction from the 1962 and 1961 crops of 120,000 and 102,000 tons respectively. Average 1956-60 production was 97,000 tons.

The volume of the 1963 pack was smaller than the earlier estimate because of damp weather, which resulted in the development of downy mildew. The quality of the crop was reported to be normal and the sugar content of the fruit, above average.

Total exports of currants from Greece during the 1962-63 season reached a postwar record of 81,700 short tons compared with 71,500 in 1961-62. The considerable increase in exports during the 1962-63 season is attributed to the unusually heavy volume—about 12,000 tons—which moved into export channels in August. The United Kingdom was, as usual, the largest purchaser, taking 61,904 tons.

Export shipments during the 1963-64 season are expected to reach 70,000 tons through December 31, 1963, they totaled about 32,000 tons.

DRIED CURRANTS: GREECE, SUPPLY AND DISTRIBUTION, 1961-63 MARKETING SEASONS

| Item | 1961 | 1962 | 1963[1] |
|---|---|---|---|
| | *Short tons* | *Short tons* | *Short tons* |
| Beginning stocks | 17,000 | 10,000 | 14,000 |
| Production | 102,000 | 120,000 | 85,000 |
| Total supply | 119,000 | 130,000 | 99,000 |
| Exports | 71,500 | 81,700 | 70,000 |
| Domestic disappearance[2] | 37,500 | 34,300 | 29,000 |
| Ending stocks | 10,000 | 14,000 | (3) |
| Total distribution | 119,000 | 130,000 | 99,000 |

[1] Forecast. [2] Practically all of these quantities are turned over to the alcohol distillation industries. Domestic consumption of currants for edible purposes is estimated to range from 1,000 to 1,500 tons. [3] If any, included in domestic disappearance.

## Canned Fruit and Juice Prices in London

Importers' selling prices in London (landed, duty-paid) of selected canned fruits and juices in January and October 1963 and January 1964 are compared below:

| Type and quality | Type of can | Price per dozen units: January 1963 | October 1963 | January 1964 | Origin |
|---|---|---|---|---|---|
| CANNED FRUIT | | | | | |
| Apricots: | | *U.S. dol.* | *U.S. dol.* | *U.S. dol.* | |
| Whole, unpeeled choice | 303 | 2.60 | 2.31 | 2.54 | U. S. |
| Halves, choice | 2½ | 3.36 | 3.08 | 2.90 | S. Africa |
| Halves, choice | 2½ | (1) | 3.08 | 3.26 | Australia |
| Halves, in syrup | 15 oz. | (1) | 1.47 | 1.50 | Spain |
| Peaches: | | | | | |
| Halves, choice | 2½ | 3.46 | 3.58 | 3.64 | U. S. |
| Halves, choice | 2½ | 3.36 | 2.94 | 2.94 | S. African |
| Halves, choice | 2½ | 3.36 | 3.29 | 3.26 | Australia |
| Pears: | | | | | |
| Halves, choice | 2½ | 3.68 | 3.36 | 3.22 | S. Africa |
| Halves, choice | 2½ | (1) | 3.50 | 3.46 | Australia |
| Halves, choice | 15 oz. | 2.12 | 2.00 | 2.17 | Italy |
| Fruit cocktail: | | | | | |
| Choice | 303 | 3.32 | 2.66 | 2.68 | U. S. |
| Choice | 8 oz. | 1.34 | 1.53 | 1.54 | U. S. |
| Choice | 15 oz. | 2.14 | 2.00 | 2.00 | Spain |
| Grapefruit sections: | | | | | |
| Fancy | 303 | 2.34 | (1) | 2.80 | U. S. |
| No. 2 | 20 oz. | 2.87 | 2.59 | 2.73 | Israel |
| Quality not not specified | 20 oz. | 2.73 | 1.47 | 2.66 | W. Indies |
| Pineapple: | | | | | |
| Spiral, standard (GAQ) | 16 oz. | 1.59 | 1.63 | 1.58 | Malaya |
| CANNED JUICE | | | | | |
| Single strength: | | | | | |
| Orange | 19 oz. | (1) | 1.89 | 1.92 | Israel |
| Orange | 2 | (1) | 1.92 | 1.75 | W. Indies |
| Grapefruit | 19 oz. | 1.54 | (1) | 1.78 | Israel |
| Grapefruit | 2 | 1.47 | 1.78 | 1.82 | W. Indies |

[1] Not quoted.

## 1963 Indian Cashew Kernel Exports

Exports of cashew kernels from India touched a new high in calendar 1963, according to the Cashew Trade Association at Quilon. Total exports during 1963 were 2,325,000 cases (of 50 lb. each) compared with 2,047,000 in 1962. Export earnings for cashews in 1963 totaled over

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218 million rupees (about $45.8 million).

The United States continued to be the leading buyer of Indian cashews, taking about 55 percent of total 1963 exports. The Soviet Union took 17 percent of the total and East Germany, 6 percent. The United Kingdom, Australia, and Canada also purchased substantial quantities in 1963.

## Northern Ireland May Revive Fiber Flax

The Flax Development Committee at Belfast, Northern Ireland, interested in the possibility of reviving the production of fiber flax, plans to buy for experimental purposes the flax straw from up to 100 acres in the 1964 season. The price to be paid will be according to grade, quality, and cleanliness.

Northern Ireland's acreage in fiber flax has varied considerably, but in general has been on the decline for some years. From an alltime peak of 207,000 acres in 1864, it fell to only 6,000 in 1932. Spurred by wartime needs, it increased to 124,500 acres by 1945; but since 1959 it has declined again to only negligible areas, owing to the lack of incentive the crop offers and the large amount of hand labor it requires.

The value of imports of flax fiber (all classes) into the United States averaged $1.1 million a year from 1955 to 1962, of which imports from the United Kingdom (chiefly from Northern Ireland) averaged $29,000. The United States imports most of its flax in the form of manufactures.

## New Zealand Sheep Numbers Up

New Zealand sheep numbers were reported at 50,190,284 as of June 30, 1963—2½ percent increase over those in the previous year. The number of breeding ewes, reported at 34,998,968, rose 3 percent.

New Zealand sheep numbers have increased by an average of more than 3½ percent each year since 1948, and are now 54 percent above the 1948 level. Current production is being stimulated by high wool prices and relatively high prices for lambs.

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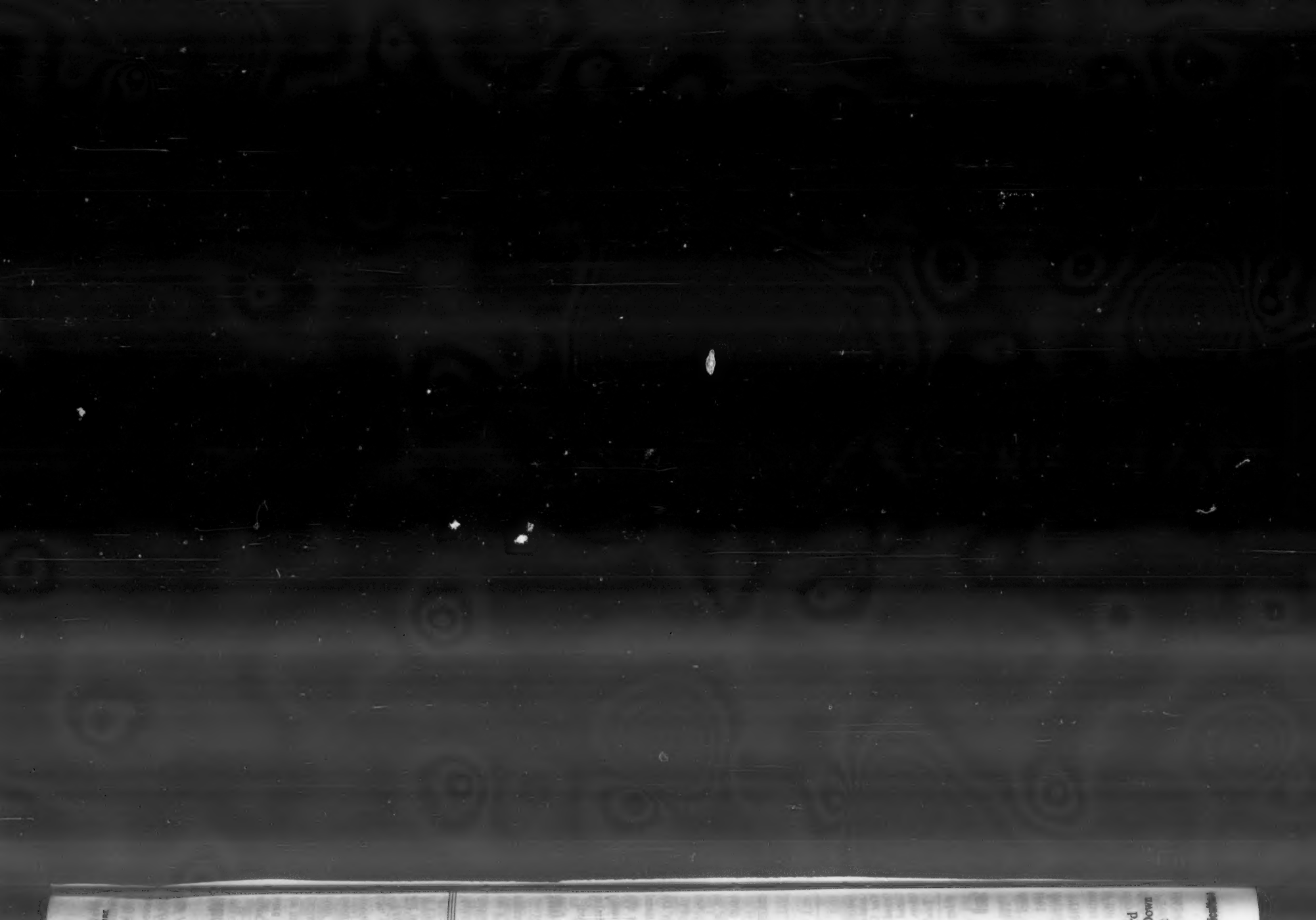
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